



STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS

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Memo

To: Luly Massaro, Commission Clerk
Rhode Island Public Utilities Commission

From: Joel A. Munoz, Rate Analyst
Rhode Island Division of Public Utilities & Carriers

Date: August 6, 2020

Re: Docket No.: 4991 – Pascoag Utility District
2020 Demand Side Management Program
Request to Adjust Weatherization Rebates

On July 1, 2020, Pascoag Utility District (PUD) filed with the Public Utilities Commission (Commission) a Request to Adjust Weatherization Rebates to the approved budget in its 2020 Demand Side Management Program (Program) in Docket 4991. PUD's request is to increase the weatherization and air sealing rebate percentage from 75% to 100% and to raise the maximum rebate caps from \$800 for insulation and \$500 for air sealing to a combined total of \$3,000. PUD's filing has been reviewed and this memo prepared by the Division of Public Utilities & Carriers (Division) to opine on the reasonableness of PUD's request.

According to PUD's filing and based on conversations between its staff and the Division, the COVID-19 pandemic has greatly impacted its ability to deliver Energy Efficiency measures. The cancelation of the Green Festival, the Family Festival, the Burrillville Aging Stronger and Parent Teacher Organization events, the closing of its offices from March 16 until June 15, 2020, and its current contactless payment options, have disrupted PUD's traditional, in-person interactions with its customer and has had crippling effects on the momentum of the Program. Not to be deterred from its commitment to the Program, PUD has, for the better part of 2020, attempted reach out by advertisement, social media and Facebook postings, direct mail, and online news blogs to educate their customers on the benefits of energy efficiency.

Unfortunately, these measures have fallen vastly short. Of the \$65,000 approved in the Program's budget for weatherization, only \$13,097 has been spent to date. In addition, so far this year, PUD has conducted 16 home energy audits, 15 of which were completed pre-COVID-19, as opposed to the 59 audits completed in the same timeframe last year. Possibly due to its demographics, a significant portion of which are elderly and low-income, virtual audits have not caught on as PUD had hoped. As a last resort to jump start its stagnant Program, PUD now comes before the Commission with this filing.

The Division agrees with PUD's approach to reallocate and use the monies to break down the customer barrier of up-front costs and continue the momentum of the Program. Not only would this benefit customers but the utility as well. PUD is a summer peaking utility. As such, PUD would benefit from an increase in customer adoption of weatherization and Energy Efficiency measures by shaving peak off during the summer. It is also worth mentioning that should the Commission approve PUD's request as filed, it will only affect the last half of 2020. The Commission will have an opportunity to revisit the Program's budget next year and evaluate the effects on the Program of allowing PUD flexibility in its rebates this year.

In conclusion and for the reasons outlined above, the Division supports PUD's request. PUD's filing has ample examples of steps taken to counter the effects of COVID-19 on the progress of the Program. The filing also demonstrates PUD's commitment to the Program, its reluctance to increase rebates as a first resort, and its deference to the authority and guidance of both the Division and the Commission. PUD's request for flexibility in its rebate caps is reasonable when considering that its customers deserve the opportunity to share in the economic, environmental and societal benefits that come along with adoption of Energy Efficiency measures.